



Australian Citizens Party

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MEDIA RELEASE

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Time for ASIC victims to have their say

All financial victims who have been failed by the regulator should make a submission to the new Senate inquiry—see details below.

ASIC is a trigger word for financial victims, invoking the emotional nightmare they endured when struggling to deal with the reality of being ripped off.

Too many Australians in the past few decades who were mugged financially went to the supposedly “tough financial cop on the beat”, the Australian Securities and Investments Commission, only to find the cop didn’t investigate, didn’t act, and didn’t care.

Too often the callous cop would shrug and seemingly babble in Latin: “*Caveat emptor*”.

The mugged victim would learn the hard way that this meant “let the buyer beware—if you get ripped off by financial predators in banks and financial schemes, it’s your own fault”.

As a consequence of having a financial cop that doesn’t enforce the law, since ASIC’s creation in 1998 on this *caveat emptor* philosophy, Australia’s financial system is littered with the wreckage of hundreds of thousands of victims who’ve been scammed out of tens of billions of dollars by banks and financial schemers who have no fear of the law.

The only players in the financial system who don’t have a bad word to say about ASIC are the banks—the last time there was a Senate inquiry into ASIC in 2014 the Australian Banking Association (ABA) didn’t even bother to make a submission; and of the Big Four, only ANZ did so, not to criticise ASIC but to defend its own indefensible reputation.

The banks love having a weak and ineffective regulator who shrugs every time they run over a consumer and say: “*Caveat emptor*—they shouldn’t have been in the way”.

That attitude is evident in [independent economist John Adams’ shocking report](#), which shows ASIC investigates just 0.74 per cent of complaints it receives—a “cop” can’t enforce the law if it doesn’t even investigate!

This inquiry is not just another useless inquiry; in fact, it is a major inquiry, running for more than 18 months compared with normal Senate inquiries that last just a few months, and it has enormous potential, for two reasons:

1. It’s the first specific inquiry into ASIC since the 2018 banking royal commission. Before that investigation proved to the whole country, beyond doubt, that the banks were indeed crooks, too many politicians and journalists had been defending the banks and regulators and making excuses for financial misconduct. The royal commission shut them up, but then, true to form, the Liberals who had fought so hard to protect the banks from the royal commission used COVID-19 as a smokescreen to again protect the banks from real consequences by dropping any serious reform, while claiming that the system had improved. This inquiry will show it hasn’t.
2. It’s also the first inquiry into ASIC under the new Labor government, which is a chance for Labor to prove that all of its tough talk against the banks in the last nine years wasn’t just empty platitudes, but a real commitment to clean up corruption on which they must now follow through.

All ASIC victims make a submission

If you’ve had a bad experience with ASIC, this inquiry needs to hear from you! Submissions are open until 3 February 2023, so you have time to carefully prepare a submission about your case, emphasising your experience with ASIC in particular. Also, spread the word to make sure that everybody who is a victim of ASIC is aware of this inquiry, and makes a submission, so the Senators on the committee are forced to face the reality that hundreds of thousands of Australians’ lives have been destroyed by a lawless financial system facilitated by a deliberately-weak regulator.

Following are the Terms of Reference for this inquiry:

The capacity and capability of the Australian Securities and Investments Commission to undertake proportionate investigation and enforcement action arising from reports of alleged misconduct, with

particular reference to:

- a. *the potential for dispute resolution and compensation schemes to distort efficient market outcomes and regulatory action;*
- b. *the balance in policy settings that deliver an efficient market but also effectively deter poor behaviour;*
- c. *whether ASIC is meeting the expectations of government, business and the community with respect to regulatory action and enforcement;*
- d. *the range and use of various regulatory tools and their effectiveness in contributing to good market outcomes;*
- e. *the offences from which penalties can be considered and the nature of liability in these offences;*
- f. *the resourcing allocated to ensure investigations and enforcement action progresses in a timely manner;*
- g. *opportunities to reduce duplicative regulation; and*
- h. *any other related matters.*

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To make a submission, [click here for the Committee's inquiry website](#).

Click here to watch the latest John Adams-Martin North In The Interest of the People YouTube report: [Rest In Peace ASIC: 3rd February 2023!](#)